



August 28, 2011

Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street SW  
Washington, DC 20554

**RE: REQUEST FOR REVIEW; CC DOCKET NO. 02-6**

Appeal of the Universal Service Administration Company (USAC) Decision  
Applicant: Panama-Buena Vista Unified School District  
Billed Entity Number: 143950  
Form 471 Application Number: 623923  
Funding Request Number: 1720768  
SPIN: 143027091  
Service Provider Name: Digital Networks Group, Inc.  
FCC RN: 0012071866

To Whom It May Concern:

This letter shall serve as an appeal and request for review to the Schools and Libraries Division's Decision on Appeal – Funding Year 2008, dated June 29, 2011 (Attachment 1) in reference to Panama-Buena Vista Unified School District's Form 471 application for E-Rate Funding Year 2011.

This decision made by the Schools and Libraries Division ('SLD') of the Universal Service Administrative Company ('USAC' or 'Administrator') is a result of an appeal made to the SLD by Digital Networks Group dated May 26, 2011 (Attachment 2), in response to the SLD's Notification of Commitment Adjustment Letter (Attachment 3) dated April 1, 2011, which sought to reduce the Funding Commitment by \$15,436.28.

Both Digital Networks Group and Panama-Buena Vista Unified School District respectfully ask for the reconsideration of the denial and the immediate reversal of the Commitment Adjustment for Funding Request Number 1720768.

On September 30, 2008, the Panama-Buena Vista Unified School District received a Funding Commitment Decision Letter (Attachment 4) granting funding for a Video Distribution System.



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On February 24, 2011, Digital Networks Group received a Cost Allocation Letter (Attachment 5) from the SLD, stating the “(2) ETV Scheduling Modules” were deemed ineligible.

On March 10, 2011, Digital Networks Group submitted our response (Attachment 6) stating that we did not agree with the PIA assessment, and believe that the (2) VBrick EtherneTV Scheduling Modules are eligible as Internal Connections under the category of Video Components (as defined by the Eligible Services List for Funding Year 2008) because it is used to control the programming, distribution, and selection of video content; and is used in the transport of information to individual classrooms or public areas of a library. Moreover, this module is not used in end-user equipment, nor is it controlled and/or operated directly by end-users. This module is an integral part of the Video Distribution system and is needed to ensure the successful transportation of information to individual classrooms and the public areas of a library.

On March 14, 2011, Digital Networks Group received a clarification email (Attachment 7) from the SLD updating the Commitments to be Rescinded. We submitted our response (Attachment 8), reaffirming our disagreement to the SLD’s eligibility assessment.

On April 1, 2011, Digital Networks Group received a Notification of Commitment Adjustment (‘ComAd) Letter (Attachment 3) stating that funds were allegedly committed in violation of Program rules.

On May 26, 2011, Digital Networks Group submitted our Appeal to the SLD’s ComAd Letter (Attachment 2). In our appeal, we included the manufacturers data sheet for the VBrick ETV Scheduling Module, which details the functions of the module.

On June 29, 2011, Digital Networks Group received the Administrator’s Decision on Appeal – Funding Year 2008-2009 (Attachment 1).

It is our belief that the SLD PIA Review Team is misidentifying the VBrick EtherneTV Scheduling Module as a scheduling service, as identified as non-eligible under Telecommunications. The VBrick EtherneTV Scheduling Module is not a scheduling service as identified under the Telecommunications section of the 2008 Eligible Services List. Rather, the EtherneTV Scheduling Module is an integral part of the Video Distribution system, which is eligible under Internal Connections under the Video Components section of the 2008 Eligible Services List, for reasons stated above.

This mistake by the SLD has led to the potential denial of needed E-Rate funds to the Panama-Buena Vista Unified School District. I therefore humbly request the FCC to immediately grant this appeal and order the SLD to reverse the Commitment Adjustment.

Respectfully Submitted,

Dan Rivera  
E-Rate Program Manager  
Digital Networks Group, Inc.